

105TH CONGRESS
1ST SESSION

H. R. 2189

To amend the Internal Revenue Code of 1986 and the Social Security Act to repeal provisions relating to the State enforcement of child support obligations and to require the Internal Revenue Service to collect child support through wage withholding and other means, and to authorize the Social Security Administration to distribute child support collections.

IN THE HOUSE OF REPRESENTATIVES

JULY 17, 1997

Mr. HYDE (for himself and Ms. WOOLSEY) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 and the Social Security Act to repeal provisions relating to the State enforcement of child support obligations and to require the Internal Revenue Service to collect child support through wage withholding and other means, and to authorize the Social Security Administration to distribute child support collections.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Uniform Child Support
5 Enforcement Act of 1997”.

1 **SEC. 2. ASSIGNMENT TO INTERNAL REVENUE SERVICE OF**
2 **RIGHT TO COLLECT CHILD SUPPORT; AVAIL-**
3 **ABILITY OF CHILD SUPPORT INFORMATION**
4 **TO THE INTERNAL REVENUE SERVICE.**

5 (a) ASSIGNMENT TO INTERNAL REVENUE SERVICE
6 OF RIGHT TO COLLECT CHILD SUPPORT.—Section 466(a)
7 of the Social Security Act (42 U.S.C. 666(a)) is amended
8 by inserting after paragraph (19) the following:

9 “(20) Procedures which—

10 “(A) require any individual with the right
11 to collect child support pursuant to an order is-
12 sued or modified in the State (whether before
13 or after the effective date of this paragraph) to
14 be presumed to have assigned to the Internal
15 Revenue Service the right to collect such sup-
16 port, unless the individual affirmatively elects to
17 retain such right at any time; and

18 “(B) allow any individual who has made
19 the election referred to in subparagraph (A) to
20 rescind or revive such election at any time.”.

21 (b) TRANSMISSION OF CHILD SUPPORT INFORMA-
22 TION TO THE FEDERAL CASE REGISTRY OF CHILD SUP-
23 PORT ORDERS.—

24 (1) IN GENERAL.—Section 466(a) of the Social
25 Security Act (42 U.S.C. 666(a)), as amended by

1 subsection (a) of this section, is amended by insert-
2 ing after paragraph (20) the following:

3 “(21)(A) Procedures which require any State
4 court or administrative agency that issues or modi-
5 fies (or has issued or modified) a child support order
6 to transmit an abstract of the order to the Federal
7 Case Registry of Child Support Orders established
8 under section 453(h), on the later of—

9 “(i) the date the order is issued or modi-
10 fied; or

11 “(ii) the effective date of this paragraph.

12 “(B)(i) The abstract of a child support order
13 shall include a record of—

14 “(I) the amount of monthly (or other peri-
15 odic) support owed under the order, and other
16 amounts (including arrearages, interest or late
17 payment penalties, and fees) due or overdue
18 under the order;

19 “(II) any amount described in subclause
20 (I) that has been collected by a State;

21 “(III) the distribution by a State of such
22 collected amounts;

23 “(IV) the birth date of any child for whom
24 the order requires the provision of support; and

1 “(V) the amount of any lien imposed with
2 respect to the order pursuant to section
3 466(a)(4).

4 “(ii) The abstract of a child support order shall
5 use standardized data elements for both parents
6 (such as names, social security numbers and other
7 uniform identification numbers, dates of birth, and
8 case identification numbers), and contain such other
9 information (such as on case status) as the Sec-
10 retary may require.

11 “(C) Such procedures shall require the State
12 agency administering the State program under this
13 part to notify the Federal Case Registry of Child
14 Support Orders of any expiration of any child sup-
15 port order an abstract of which has been transmitted
16 by the State pursuant to subparagraph (A).”.

17 (2) CONFORMING AMENDMENT.—Section
18 453(h)(1) of such Act (42 U.S.C. 653(h)(1)) is
19 amended by striking “abstracts of support orders
20 and other information described in paragraph (2)
21 with respect to each case in each State case registry
22 maintained pursuant to section 454A(e), as fur-
23 nished (and regularly updated), pursuant to section
24 454A(f), by State agencies administering programs
25 under this part” and inserting “child support order

1 abstracts transmitted pursuant to section 466(a)(21)
2 and other information described in paragraph (2)
3 with respect to each case in the registry”.

4 **SEC. 3. COLLECTION OF CHILD SUPPORT BY INTERNAL**
5 **REVENUE SERVICE.**

6 (a) IN GENERAL.—Chapter 77 of the Internal Reve-
7 nue Code of 1986 (relating to miscellaneous provisions)
8 is amended by adding at the end thereof the following new
9 section:

10 **“SEC. 7525. COLLECTION OF CHILD SUPPORT.**

11 “(a) EMPLOYEE TO NOTIFY EMPLOYER OF CHILD
12 SUPPORT OBLIGATION.—

13 “(1) IN GENERAL.—Each employee shall speci-
14 fy, on each withholding certificate furnished to such
15 employee’s employer—

16 “(A) the monthly amount (if any) of each
17 child support obligation of such employee, and

18 “(B) the TIN of the individual to whom
19 each such obligation is owed.

20 “(2) WHEN CERTIFICATE FILED.—In addition
21 to the other required times for filing a withholding
22 certificate, a new withholding certificate shall be
23 filed within 30 days after the date of any court or
24 administrative order which changes the information
25 specified under paragraph (1).

1 “(3) PERIOD CERTIFICATE IN EFFECT.—Any
2 specification under paragraph (1) shall continue in
3 effect until another withholding certificate takes ef-
4 fect which specifies a change in the information
5 specified under paragraph (1).

6 “(4) AUTHORITY TO SPECIFY SMALLER CHILD
7 SUPPORT AMOUNT.—In the case of an employee who
8 is employed by more than 1 employer for any period,
9 such employee may specify less than the monthly
10 amount described in paragraph (1)(A) to each such
11 employer so long as the total of the amounts speci-
12 fied to all such employers is not less than such
13 monthly amount.

14 “(b) CERTAIN OBLIGATIONS EXEMPT.—This section
15 shall not apply to a child support obligation for any month
16 if the individual to whom such obligation is owed has so
17 notified the Secretary and the individual owing such obli-
18 gation more than 30 business days before the beginning
19 of such month.

20 “(c) EMPLOYER OBLIGATIONS.—

21 “(1) REQUIREMENT TO DEDUCT AND WITH-
22 HOLD.—

23 “(A) IN GENERAL.—Every employer who
24 receives a certificate under subsection (a) that
25 specifies that the employee has a child support

1 obligation for any month shall deduct and with-
2 hold from the wages (as defined in section
3 3401(a)) paid by such employer to such em-
4 ployee during each month that such certificate
5 is in effect an additional amount equal to the
6 amount of such obligation or such other amount
7 as may be specified by the Secretary under sub-
8 section (d).

9 “(B) LIMITATION ON AGGREGATE WITH-
10 HOLDING.—In no event shall an employer de-
11 duct and withhold under this section from a
12 payment of wages an amount in excess of the
13 amount of such payment which would be per-
14 mitted to be garnished under section 303(b) of
15 the Consumer Credit Protection Act.

16 “(2) NOTICE TO SECRETARY.—

17 “(A) IN GENERAL.—Every employer who
18 receives a withholding certificate shall, within
19 30 business days after such receipt, submit a
20 copy of such certificate to the Secretary.

21 “(B) EXCEPTION.—Subparagraph (A)
22 shall not apply to any withholding certificate
23 if—

24 “(i) a previous withholding certificate
25 is in effect with the employer, and

1 “(ii) the information shown on the
2 new certificate with respect to child sup-
3 port is the same as the information with
4 respect to child support shown on the cer-
5 tificate in effect.

6 “(3) WHEN WITHHOLDING OBLIGATION TAKES
7 EFFECT.—Any withholding obligation with respect
8 to a child support obligation of an employee shall
9 commence with the first payment of wages after the
10 certificate is furnished.

11 “(d) SECRETARY TO VERIFY AMOUNT OF CHILD
12 SUPPORT OBLIGATION.—

13 “(1) VERIFICATION OF INFORMATION SPECI-
14 FIED ON WITHHOLDING CERTIFICATES.—Within 20
15 business days after receiving a withholding certifi-
16 cate of any employee, or a notice from any person
17 claiming that an employee is delinquent in making
18 any payment pursuant to a child support obligation,
19 the Secretary shall determine whether the informa-
20 tion available to the Federal Case Registry of Child
21 Support Orders established under section 453(h) of
22 the Social Security Act indicates that such employee
23 has a child support obligation.

24 “(2) EMPLOYER NOTIFIED IF INCREASED
25 WITHHOLDING IS REQUIRED.—If the Secretary de-

1 termines that an employee’s child support obligation
2 is greater than the amount (if any) shown on the
3 withholding certificate in effect with respect to such
4 employee, the Secretary shall, within 20 business
5 days after such determination, notify the employer
6 to whom such certificate was furnished of the cor-
7 rect amount of such obligation, and such amount
8 shall apply in lieu of the amount (if any) specified
9 by the employee with respect to payments of wages
10 by the employer after the date the employer receives
11 such notice.

12 “(3) DETERMINATION OF CORRECT AMOUNT.—
13 In making the determination under paragraph (2),
14 the Secretary shall take into account whether the
15 employee is an employee of more than 1 employer
16 and shall appropriately adjust the amount of the re-
17 quired withholding from each such employer.

18 “(e) CHILD SUPPORT OBLIGATIONS REQUIRED TO
19 BE PAID WITH INCOME TAX RETURN.—

20 “(1) IN GENERAL.—The child support obliga-
21 tion of any individual for months ending with or
22 within any taxable year shall be paid—

23 “(A) not later than the last date (deter-
24 mined without regard to extensions) prescribed

1 for filing his return of tax imposed by chapter
2 1 for such taxable year, and

3 “(B)(i) if such return is filed not later
4 than such date, with such return, or

5 “(ii) in any case not described in clause (i),
6 in such manner as the Secretary may by regula-
7 tions prescribe.

8 “(2) CREDIT FOR AMOUNT PREVIOUSLY
9 PAID.—The amount required to be paid by an indi-
10 vidual under paragraph (1) shall be reduced by the
11 sum of—

12 “(A) the amount collected under this sec-
13 tion with respect to periods during the taxable
14 year, plus

15 “(B) the amount (if any) paid by such in-
16 dividual under section 6654 by reason of sub-
17 section (f)(3) thereof for such taxable year.

18 “(f) FAILURE TO PAY AMOUNT OWING.—

19 “(1) COLLECTION AUTHORITY.—If an individ-
20 ual fails to pay the full amount required to be paid
21 under subsection (e) on or before the due date for
22 such payment, the Secretary shall assess and collect
23 the unpaid amount in the same manner, with the
24 same powers, and subject to the same limitations ap-

1 plicable to a tax imposed by subtitle C the collection
2 of which would be jeopardized by delay.

3 “(2) SHORTFALL IN PAYMENTS.—For purposes
4 of paragraph (1) and subsection (i), if the taxpayer
5 would have a deficiency for the taxable year were the
6 amount required to be paid under subsection (e)
7 treated as tax imposed by chapter 1, such deficiency
8 shall be treated as attributable to a failure to pay
9 the full amount required to be paid under subsection
10 (e) to the extent thereof.

11 “(g) CREDIT OR REFUND FOR WITHHELD CHILD
12 SUPPORT IN EXCESS OF ACTUAL OBLIGATION.—There
13 shall be allowed as a credit against the taxes imposed by
14 subtitle A for the taxable year an amount equal to the
15 excess (if any) of—

16 “(1) the aggregate of the amounts described in
17 subparagraphs (A) and (B) of subsection (e)(2),
18 over

19 “(2) the actual child support obligation of the
20 taxpayer for such taxable year.

21 The credit allowed by this subsection shall be treated for
22 purposes of this title as allowed by subpart C of part IV
23 of subchapter A of chapter 1.

24 “(h) CHILD SUPPORT TREATED AS TAXES.—

1 “(1) IN GENERAL.—For purposes of penalties
2 and interest related to failure to deduct and with-
3 hold taxes, amounts required to be deducted and
4 withheld under this section shall be treated as taxes
5 imposed by chapter 24.

6 “(2) OTHER RULES.—Rules similar to the rules
7 of sections 3403, 3404, 3501, 3502, 3504, and 3505
8 shall apply with respect to child support obligations
9 required to be deducted and withheld.

10 “(3) SPECIAL RULE FOR COLLECTIONS.—For
11 purposes of collecting any unpaid amount which is
12 required to be paid under this section—

13 “(A) paragraphs (4), (6), and (8) of sec-
14 tion 6334(a) (relating to property exempt from
15 levy) shall not apply, and

16 “(B) there shall be exempt from levy so
17 much of the salary, wages, or other income of
18 an individual as is being withheld therefrom in
19 garnishment pursuant to a judgment entered by
20 a court of competent jurisdiction for the sup-
21 port of his minor children.

22 “(i) COLLECTIONS DISPERSED TO COMMISSIONER OF
23 SOCIAL SECURITY.—Payments received by the Secretary
24 pursuant to this section or by reason of section 6654(f)(3)
25 which are attributable to a child support obligation pay-

1 able for any month (to the extent such payments do not
 2 exceed the amount of such obligation for such month), and
 3 any penalties and interest collected with respect to such
 4 payment, shall be paid to the Commissioner of Social Se-
 5 curity for payment pursuant to section 457 of the Social
 6 Security Act.

7 “(j) TREATMENT OF ARREARAGES UNDER CHILD
 8 SUPPORT OBLIGATIONS NOT SUBJECT TO SECTION FOR
 9 PRIOR PERIOD.—If—

10 “(1) this section did not apply to any child sup-
 11 port obligation by reason of subsection (b) for any
 12 prior period, and

13 “(2) there is a legally enforceable past-due
 14 amount under such obligation for such period,
 15 then such past-due amount (and any penalties and interest
 16 with respect to such amount as of the close of such period)
 17 shall be treated for purposes of this section as owed for
 18 the first month that this section applies to such obligation.

19 “(k) DEFINITIONS AND SPECIAL RULES.—

20 “(1) DEFINITIONS.—For purposes of this sec-
 21 tion—

22 “(A) WITHHOLDING CERTIFICATE.—The
 23 term ‘withholding certificate’ means the with-
 24 holding exemption certificate used for purposes
 25 of chapter 24.

1 “(B) BUSINESS DAY.—The term ‘business
2 day’ means any day other than a Saturday,
3 Sunday, or legal holiday (as defined in section
4 7503).

5 “(2) TIMELY MAILING.—Any notice under sub-
6 section (c)(2) or (d)(2) which is delivered by United
7 States mail shall be treated as given on the date of
8 the United States postmark stamped on the cover in
9 which such notice is mailed.

10 “(l) REGULATIONS.—The Secretary shall prescribe
11 such regulations as may be necessary or appropriate to
12 carry out the purposes of this section.”

13 (b) WITHHELD CHILD SUPPORT TO BE SHOWN ON
14 W-2.—Subsection (a) of section 6051 of such Code is
15 amended by striking “and” at the end of paragraph (10),
16 by striking the period at the end of paragraph (11) and
17 inserting “, and”, and by inserting after paragraph (11)
18 the following new paragraph:

19 “(12) the total amount deducted and withheld
20 as a child support obligation under section 7525(c).”

21 (c) APPLICATION OF ESTIMATED TAX.—

22 (1) IN GENERAL.—Subsection (f) of section
23 6654 of such Code (relating to failure by individual
24 to pay estimated income tax) is amended by striking
25 “minus” at the end of paragraph (2) and inserting

1 “plus”, by redesignating paragraph (3) as paragraph
2 (4), and by inserting after paragraph (2) the follow-
3 ing new paragraph:

4 “(3) the aggregate amount of the child support
5 obligations of the taxpayer for months ending with
6 or within the taxable year (other than such an obli-
7 gation for any month for which section 7525 does
8 not apply to such obligation), minus”.

9 (2) Paragraph (1) of section 6654(d) of such
10 Code is amended by adding at the end the following
11 new subparagraph:

12 “(D) DETERMINATION OF REQUIRED AN-
13 NUAL PAYMENT FOR TAXPAYERS REQUIRED TO
14 PAY CHILD SUPPORT.—In the case of a tax-
15 payer who is required under section 7525 to
16 pay a child support obligation (as defined in
17 section 7525) for any month ending with or
18 within the taxable year, the required annual
19 payment shall be the sum of—

20 “(i) the amount determined under
21 subparagraph (B) without regard to sub-
22 section (f)(3), plus

23 “(ii) the aggregate amount described
24 in subsection (f)(3).”

1 (3) CREDIT FOR WITHHELD AMOUNTS, ETC.—

2 Subsection (g) of section 6654 of such Code is
3 amended by adding at the end the following new
4 paragraph:

5 “(3) CHILD SUPPORT OBLIGATIONS.—For pur-
6 poses of applying this section, the amounts collected
7 under section 7525 shall be deemed to be a payment
8 of the amount described in subsection (f)(3) on the
9 date such amounts were actually withheld or paid, as
10 the case may be.”

11 (d) PENALTY FOR FALSE INFORMATION ON WITH-
12 HOLDING CERTIFICATE.—Section 7205 of such Code (re-
13 lating to fraudulent withholding exemption certificate or
14 failure to supply information) is amended by adding at
15 the end the following new subsection:

16 “(c) WITHHOLDING OF CHILD SUPPORT OBLIGA-
17 TIONS.—If any individual willfully makes a false state-
18 ment under section 7525(a), then such individual shall,
19 in addition to any other penalty provided by law, upon
20 conviction thereof, be fined not more than \$1,000, or im-
21 prisoned not more than 1 year, or both.”

22 (e) NEW WITHHOLDING CERTIFICATE REQUIRED.—
23 Not later than 90 days after the date this Act takes effect,
24 each employee who has a child support obligation to which
25 section 7525 of the Internal Revenue Code of 1986 (as

1 added by this section) applies shall furnish a new with-
 2 holding certificate to each of such employee's employers.
 3 A certificate required under the preceding sentence shall
 4 be treated as required under such section 7525.

5 (f) REPEAL OF OFFSET OF PAST-DUE SUPPORT
 6 AGAINST OVERPAYMENTS.—

7 (1) Section 6402 of such Code is amended by
 8 striking subsections (c) and (h) and by redesignating
 9 subsections (d), (e), (f), (g), and (i) as subsections
 10 (c), (d), (e), (f), and (g), respectively.

11 (2) Subsection (a) of section 6402 of such Code
 12 is amended by striking “subsections (c), (d), or (e)”
 13 and inserting “subsection (c) or (d)”.

14 (3) Subsection (c) of section 6402 of such Code
 15 (as redesignated by paragraph (1)) is amended—

16 (A) by striking “(other than past-due sup-
 17 port subject to the provisions of subsection
 18 (c))” in paragraph (1),

19 (B) by striking “after such overpayment is
 20 reduced pursuant to subsection (c) with respect
 21 to past-due support collected pursuant to an as-
 22 signment under section 402(a)(26) of the Social
 23 Security Act and” in paragraph (2).

1 (4) Subsection (d) of section 6402 of such Code
2 is amended by striking “subsections (c) or (d)” and
3 inserting “subsection (c)”.

4 (5) Subsection (e) of section 6402 of such Code
5 (as redesignated by paragraph (1)) is amended by
6 striking “or (d)”.

7 (g) REPEAL OF COLLECTION OF PAST-DUE SUP-
8 PORT.—Section 6305 of such Code is hereby repealed.

9 (h) CLERICAL AMENDMENTS.—

10 (1) The table of sections for subchapter A of
11 chapter 64 of such Code is amended by striking the
12 item relating to section 6305.

13 (2) The table of sections for chapter 77 of such
14 Code is amended by adding at the end thereof the
15 following new item:

“Sec. 7525. Collection of child support.”

16 (i) USE OF PARENT LOCATOR SERVICE.—Section
17 453(a) of the Social Security Act (42 U.S.C. 653(a)) is
18 amended by inserting “or the Internal Revenue Service”
19 before “information as”.

20 **SEC. 4. DISBURSEMENT OF CHILD SUPPORT COLLECTIONS.**

21 Section 457 of the Social Security Act (42 U.S.C
22 657) is amended to read as follows:

1 **“SEC. 457. DISBURSEMENT OF CHILD SUPPORT COLLEC-**
2 **TIONS.**

3 “As soon as practicable (but not later than 5 business
4 days) after the Commissioner of Social Security receives
5 an amount paid under section 7525(i) of the Internal Rev-
6 enue Code of 1986 that is attributable to a child support
7 obligation owed with respect to a family, the Commissioner
8 shall, using information provided by the Internal Revenue
9 Service and information in the Federal Case Registry of
10 Child Support Orders, ascertain the identity of the family
11 and distribute the amount as follows:

12 “(1) FAMILIES RECEIVING ASSISTANCE.—In the
13 case of a family receiving assistance from a State,
14 the Commissioner shall—

15 “(A) pay to the State the State share of
16 the amount so collected; and

17 “(B) retain, or distribute to the family, the
18 Federal share of the amount so collected.

19 except that the total amount distributed to families
20 under this paragraph during a fiscal year shall not
21 exceed the amount (if any) by which Federal outlays
22 are decreased during the fiscal year as a result of
23 the amendments made by the Uniform Child Sup-
24 port Enforcement Act of 1997.

1 “(2) FAMILIES THAT FORMERLY RECEIVED AS-
2 SISTANCE.—In the case of a family that formerly re-
3 ceived assistance from a State:

4 “(A) CURRENT SUPPORT PAYMENTS.—To
5 the extent that the amount so collected does not
6 exceed the amount required to be paid to the
7 family for the month in which collected, the
8 Commissioner shall distribute the amount so
9 collected to the family.

10 “(B) PAYMENTS OF ARREARAGES.—To the
11 extent that the amount so collected exceeds the
12 amount required to be paid to the family for
13 the month in which collected, the Commissioner
14 shall distribute the amount so collected as fol-
15 lows:

16 “(i) DISTRIBUTION OF ARREARAGES
17 THAT ACCRUED AFTER THE FAMILY
18 CEASED TO RECEIVE ASSISTANCE.—

19 “(I) PRE-OCTOBER 1997.—Except
20 as provided in subclause (II), the pro-
21 visions of this section (other than sub-
22 section (b)(1)) as in effect and applied
23 on the day before the date of the en-
24 actment of section 302 of the Per-
25 sonal Responsibility and Work Oppor-

1 tunity Act Reconciliation of 1996
2 shall apply with respect to the dis-
3 tribution of support arrearages that—

4 “(aa) accrued after the fam-
5 ily ceased to receive assistance
6 from the State, and

7 “(bb) are collected before
8 October 1, 1997.

9 “(II) POST-SEPTEMBER 1997.—
10 With respect to the amount so col-
11 lected on or after October 1, 1997—

12 “(aa) IN GENERAL.—The
13 Commissioner shall first distrib-
14 ute the amount so collected
15 (other than any amount de-
16 scribed in clause (iv)) to the fam-
17 ily to the extent necessary to sat-
18 isfy any support arrearages with
19 respect to the family that accrued
20 after the family ceased to receive
21 assistance from the State.

22 “(bb) REIMBURSEMENT OF
23 GOVERNMENTS FOR ASSISTANCE
24 PROVIDED TO THE FAMILY.—
25 After the application of division

1 (aa) and clause (ii)(II)(aa) with
 2 respect to the amount so col-
 3 lected, the Commissioner shall re-
 4 tain the Federal share of the
 5 amount so collected, and pay to
 6 the State the State share of the
 7 amount so collected, but only to
 8 the extent necessary to reimburse
 9 amounts paid to the family as as-
 10 sistance by the State.

11 “(cc) DISTRIBUTION OF THE
 12 REMAINDER TO THE FAMILY.—
 13 To the extent that neither divi-
 14 sion (aa) nor division (bb) applies
 15 to the amount so collected, the
 16 Commissioner shall distribute the
 17 amount to the family.

18 “(ii) DISTRIBUTION OF ARREARAGES
 19 THAT ACCRUED BEFORE THE FAMILY RE-
 20 CEIVED ASSISTANCE.—

21 “(I) PRE-OCTOBER 2000.—Except
 22 as provided in subclause (II), the pro-
 23 visions of this section (other than sub-
 24 section (b)(1)) as in effect and applied
 25 on the day before the date of the en-

1 actment of section 302 of the Per-
2 sonal Responsibility and Work Oppor-
3 tunity Reconciliation Act of 1996
4 shall apply with respect to the dis-
5 tribution of support arrearages that—

6 “(aa) accrued before the
7 family received assistance from
8 the State; and

9 “(bb) are collected before
10 October 1, 2000.

11 “(II) POST-SEPTEMBER 2000.—
12 With respect to the amount so col-
13 lected on or after October 1, 2000—

14 “(aa) IN GENERAL.—The
15 Commissioner shall first distrib-
16 ute the amount so collected
17 (other than any amount de-
18 scribed in clause (iv)) to the fam-
19 ily to the extent necessary to sat-
20 isfy any support arrearages with
21 respect to the family that accrued
22 before the family received assist-
23 ance from the State.

24 “(bb) REIMBURSEMENT OF
25 GOVERNMENTS FOR ASSISTANCE

1 PROVIDED TO THE FAMILY.—
2 After the application of clause
3 (i)(II)(aa) and division (aa) of
4 this subclause with respect to the
5 amount so collected, the Commis-
6 sioner shall retain the Federal
7 share of the amount so collected,
8 and pay to the State the State
9 share of the amount so collected,
10 but only to the extent necessary
11 to reimburse amounts paid to the
12 family as assistance by the State.

13 “(cc) DISTRIBUTION OF THE
14 REMAINDER TO THE FAMILY.—
15 To the extent that neither divi-
16 sion (aa) nor division (bb) applies
17 to the amount so collected, the
18 Commissioner shall distribute the
19 amount to the family.

20 “(iii) DISTRIBUTION OF ARREARAGES
21 THAT ACCRUED WHILE THE FAMILY RE-
22 CEIVED ASSISTANCE.—In the case of a
23 family described in this subparagraph,
24 paragraph (1) shall apply with respect to
25 the distribution of support arrearages that

1 accrued while the family received assist-
2 ance from the State.

3 “(iv) ORDERING RULES FOR DIS-
4 TRIBUTIONS.—For purposes of this sub-
5 paragraph, unless an earlier effective date
6 is required by this section, effective Octo-
7 ber 1, 2000, the Commissioner shall treat
8 any support arrearages collected, except
9 for amounts collected pursuant to section
10 464, as accruing in the following order:

11 “(I) To the period after the fam-
12 ily ceased to receive assistance from
13 the State.

14 “(II) To the period before the
15 family received assistance from the
16 State.

17 “(III) To the period while the
18 family was receiving assistance from
19 the State.

20 “(3) FAMILIES THAT NEVER RECEIVED ASSIST-
21 ANCE.—In the case of any other family, the Com-
22 missioner shall distribute the amount so collected to
23 the family.

24 “(b) DEFINITIONS.—As used in this section:

1 “(1) ASSISTANCE.—The term ‘assistance’
2 means, with respect to a State—

3 “(A) assistance under a State program
4 funded under part A; or

5 “(B) foster care maintenance payments
6 under a State plan approved under part E.

7 “(2) FEDERAL SHARE.—The term ‘Federal
8 share’ means that portion of the amount collected
9 resulting from the application of the Federal medical
10 assistance percentage in effect for the fiscal year in
11 which the amount is collected.

12 “(3) FEDERAL MEDICAL ASSISTANCE PERCENT-
13 AGE.—The term ‘Federal medical assistance per-
14 centage’ means—

15 “(A) the Federal medical assistance per-
16 centage (as defined in section 1118), in the case
17 of Puerto Rico, the Virgin Islands, Guam, and
18 American Samoa; or

19 “(B) the Federal medical assistance per-
20 centage (as defined in section 1905(b), as in ef-
21 fect on September 30, 1996) in the case of any
22 other State.

23 “(4) STATE SHARE.—The term ‘State share’
24 means 100 percent minus the Federal share.”.

1 **SEC. 5. ELIMINATION OF PROVISIONS OF LAW RELATING**
2 **TO STATE ENFORCEMENT OF CHILD SUP-**
3 **PORT OBLIGATIONS OTHER THAN MEDICAL**
4 **SUPPORT OBLIGATIONS.**

5 (a) AMENDMENT OF THE SOCIAL SECURITY ACT.—
6 Except as otherwise expressly provided, wherever in this
7 section an amendment or repeal is expressed in terms of
8 an amendment to, or repeal of, a section or other provi-
9 sion, the reference shall be considered to be made to a
10 section or other provision of the Social Security Act.

11 (b) AMENDMENTS TO SECTION 451.—Section 451
12 (42 U.S.C. 651) is amended—

13 (1) by inserting “medical” before “support obli-
14 gations”;

15 (2) by striking “obtaining child and spousal
16 support” and inserting “establishing child and
17 spousal support obligations”; and

18 (3) by striking “obtaining support” and insert-
19 ing “establishing such obligations and obtaining
20 medical support”.

21 (c) AMENDMENTS TO SECTION 452.—Section 452
22 (42 U.S.C. 652) is amended—

23 (1) in subsection (a)—

24 (A) in paragraph (1), by striking “obtain-
25 ing child support and support for the spouse (or
26 former spouse) with whom the noncustodial

parent’s child is living” and inserting “establishing child and spousal support obligations of noncustodial parents and obtaining medical support from noncustodial parents”;

(B) in paragraph (4)—

(i) in subparagraph (A)—

(I) by striking “454(15)(B)” and inserting “454(11)(B)”; and

(II) by striking “and section 458”;

(ii) in subparagraph (B), by striking “454(15)(A)” and inserting “454(11)(A)”; and

(iii) in subparagraph (C)—

(I) in clause (i), by striking “subsection (g) of this section and section 458” and inserting “subsection (e) of this section”; and

(II) in clause (ii), by striking “—” and all that follows and inserting “whether Federal and other funds made available to carry out the State program are being appropriately expended, and are properly and fully accounted for;”

1 (C) in paragraph (7), by striking “collect-
2 ing child and spousal support” and inserting
3 “establishing child and spousal support obliga-
4 tions and collecting child and spousal medical
5 support”;

6 (D) in paragraph (8)—

7 (i) by inserting “the medical support
8 requirements of” before “court” the 1st
9 place such term appears; and

10 (ii) by inserting “medical support re-
11 quirements of” before “court” the 2nd
12 place such term appears; and

13 (iii) by striking “such order” and in-
14 serting “such requirements”;

15 (E) in paragraph (10)—

16 (i) by striking “, but not be limited
17 to” and all that follows through the end of
18 subparagraph (A) and inserting “include—

19 “(A) total program costs set forth in suffi-
20 cient detail to show the cost to the States and
21 the Federal Government, and an identification
22 of the financial impact of this part;”;

23 (ii) in subparagraph (C)—

1 (I) in the matter preceding clause
2 (i), by striking “collect support” and
3 insert “receive support”;

4 (II) in clause (iii), by striking
5 “support was collected” and inserting
6 “medical support was provided”; and

7 (III) by striking clauses (iv)
8 through (vii) and inserting the follow-
9 ing:

10 “(iv) the total amount of medical sup-
11 port provided as a result of State action;”;
12 and

13 “(v) the number of child support
14 cases filed in each State in the fiscal
15 year;” and

16 (iii) in subparagraph (G)—

17 (I) by striking “and on use of the
18 Internal Revenue Service for collec-
19 tions” and inserting “to obtain medi-
20 cal support”; and

21 (II) by striking “on which collec-
22 tions were made” and inserting “with
23 respect to which medical support was
24 provided”; and

1 (F) by striking paragraph (6) and redesignating paragraphs (7) through (11) as paragraphs (6) through (10), respectively;

2 (2) in subsections (d) and (e), by striking
3 “454(16)” each place such term appears and inserting
4 “454(12)”;

5 (3) in subsection (h)—

6 (A) by striking “and enforcing support orders” and inserting “support orders and enforcing the medical support requirements of such
7 orders”; and

8 (B) by striking “and collect child support awards” and inserting “child support orders and obtain medical support under such orders”;

9 (4) effective October 1, 1997, in subsection (k),
10 by striking “454(31)” and inserting “454(24)”;

11 (5) by striking subsections (b), (c), and (i) and redesignating subsections (d) through (h), (j), and
12 (effective October 1, 1997) (k) as subsections (b) through (h), respectively.

13 (d) AMENDMENT TO SECTION 453.—Section 453(b)
14 (42 U.S.C. 653(b)) is amended by striking “454(26)” and
15 inserting “454(18)”.

16 (e) AMENDMENTS TO SECTION 454.—Section 454
17 (42 U.S.C. 654) is amended—

1 (1) by striking paragraph (4) and inserting the
2 following:

3 “(4) provide that the State will provide services
4 relating to the establishment of paternity or the es-
5 tablishment or modification of child support obliga-
6 tions, or the enforcement of the medical support pro-
7 visions of such obligations, as appropriate, under the
8 State plan with respect to—

9 “(A) each child for whom (i) assistance is
10 provided under the State program funded under
11 part A of this title, (ii) benefits or services for
12 foster care maintenance are provided under the
13 State program funded under part E of this
14 title, or (iii) medical assistance is provided
15 under the State plan approved under title XIX,
16 unless, in accordance with paragraph (21), good
17 cause or other exceptions exist; and

18 “(B) any other child, if an individual ap-
19 plies for such services with respect to the
20 child;”;

21 (2) in paragraph (6), by striking subparagraph
22 (C) and redesignating subparagraphs (D) and (E) as
23 subparagraphs (C) and (D), respectively;

24 (3) in paragraph (9)—

1 (A) in subparagraph (E), by striking
2 “452(a)(11)” and inserting “452(a)(10)”; and

3 (B) by striking subparagraph (C) and re-
4 designating subparagraphs (D) and (E) as sub-
5 paragraphs (C) and (D), respectively;

6 (4) in paragraph (13), by striking “collecting
7 support payments” and inserting “obtaining medical
8 support pursuant to such orders”;

9 (5) in paragraph (15)(B)—

10 (A) by striking “(16)” and inserting
11 “(12)”; and

12 (B) by striking “sections 452(g) and 458”
13 and inserting “section 452(e)”;

14 (6) in paragraph (16)—

15 (A) by striking “452(d)” and inserting
16 “452(b)”; and

17 (B) by inserting “medical” before “support
18 enforcement”;

19 (7) in paragraph (19), by inserting “medical”
20 before “support” each place such term appears;

21 (8) in paragraph (21)(A), by striking “466(e)”
22 and inserting “466(c)”;

23 (9) in paragraph (23), by inserting “medical”
24 before “support”;

1 (10) in paragraph (25), by striking “(6)(B)”
2 and inserting “(5)(B)”;

3 (11) in paragraph (29), by striking “, modify-
4 ing, or enforcing” and inserting “or modifying”;

5 (12) in paragraph (31)—

6 (A) by striking “452(k)” and inserting
7 “452(h)”;

8 (B) by adding “and” at the end;

9 (13) by striking “and” at the end of paragraph
10 (32) and inserting a period; and

11 (14) by striking paragraphs (5), (10), (11),
12 (18), (21), (22), (27), and (33), and the last sen-
13 tence, and redesignating paragraphs (6), (7), (8),
14 (9), (13), (14), (15), (16), (17), (19), (20), (23),
15 (24), (25), (26), (27), (28), (29), (30), (31), and
16 (32) as paragraphs (5) through (25), respectively.

17 (f) AMENDMENTS TO SECTION 454A.—Section 454A
18 (42 U.S.C. 654a) is amended—

19 (1) in subsection (c)—

20 (A) in the matter preceding paragraph (1),
21 by striking “incentive payments and penalty
22 adjustments under sections 452(g) and 458”
23 and inserting “penalty adjustments under sec-
24 tion 452(e)”;

1 (B) in paragraph (1)(A), by striking “and
2 child support enforcement”;

3 (2) by striking subsections (e) and (g);

4 (3) in subsection (f), by striking paragraph (1)
5 and redesignating paragraphs (2), (3), and (4) as
6 paragraphs (1), (2), and (3), respectively;

7 (4) in subsection (h), by striking “466(c)” and
8 inserting “466(b)”; and

9 (5) by redesignating subsections (f) and (h) as
10 subsections (e) and (f), respectively.

11 (g) REPEAL OF SECTION 454B.—Section 454B (42
12 U.S.C. 654b) is repealed.

13 (h) AMENDMENTS TO SECTION 455.—Section 455
14 (42 U.S.C. 655) is amended—

15 (1) in subsection (a)(3), by striking “454(16)”
16 each place such term appears and inserting
17 “454(12)”;

18 (2) in subsection (d), by striking “the amount
19 of child support collected and disbursed and”; and

20 (3) by striking subsection (e) and (b) (as added
21 by section 375(b) of the Personal Responsibility and
22 Work Opportunity Reconciliation Act of 1996).

23 (i) AMENDMENTS TO SECTION 456.—Section 456(a)
24 (42 U.S.C. 656(a)) is amended—

1 (1) in paragraph (1), by striking the 2nd sen-
2 tence;

3 (2) in paragraph (2), by striking “, and” at the
4 end and inserting a period; and

5 (3) in paragraph (3), by striking “amounts”
6 and inserting “medical support”.

7 (j) REPEAL OF SECTION 458.—Section 458 (42
8 U.S.C. 658) is repealed.

9 (k) AMENDMENTS TO NEW SECTION 459.—Section
10 459 (42 U.S.C. 659) is amended—

11 (1) in subsection (a), by striking “enacted pur-
12 suant to subsections (a)(1) and (b) of section 466
13 and regulations of the Secretary under such sub-
14 sections,”;

15 (2) in subsection (b), by striking “subsections
16 (a)(1) and (b) of section 466” and inserting “State
17 law”;

18 (3) in subsection (c)(2)—

19 (A) in the matter preceding subparagraph
20 (A), by striking “subsections (a)(1) and (b) of
21 section 466” and inserting “State law”; and

22 (B) in subparagraph (B), by striking “sec-
23 tion 466” and inserting “State law”; and

1 (4) in subsection (d), by striking “—” and all
 2 that follows through “and (2)” and inserting “, such
 3 moneys”.

4 (l) AMENDMENT TO SECTION 460.—Section 460 (42
 5 U.S.C. 660) is amended by striking “452(a)(8)” and in-
 6 serting “452(a)(7)”.

7 (m) REPEAL OF SECTION 464.—Section 464 (42
 8 U.S.C. 664) is repealed.

9 (n) AMENDMENTS TO SECTION 466.—Section 466
 10 (42 U.S.C. 666) is amended—

11 (1) in subsection (a)—

12 (A) in the matter preceding paragraph (1),
 13 by striking “454(20)(A)” and inserting
 14 “454(15)(A)”;

15 (B) in paragraph (2)—

16 (i) in the 1st sentence—

17 (I) by striking “(c)” and insert-
 18 ing “(b)”;

19 (II) by striking “establishing,
 20 modifying, and enforcing” and insert-
 21 ing “establishing and modifying sup-
 22 port obligations and enforcing medi-
 23 cal”;

24 (ii) in the 2nd sentence—

1 (I) by inserting “of medical sup-
2 port obligations” after “enforcement”;
3 and

4 (II) by striking “(d)” and insert-
5 ing “(c)”;

6 (C) in paragraph (5)—

7 (i) in subparagraph (B)(i), by striking
8 “454(29)” and inserting “454(22)”; and

9 (ii) in subparagraph (C)(iv), by strik-
10 ing “452(a)(7)” and inserting
11 “452(a)(6)”;

12 (D) in paragraph (9), by striking “(2)”
13 and inserting “(1)”;

14 (E) in paragraph (19), by striking “en-
15 forced” and inserting “with respect to which
16 services are requested”;

17 (F) in the matter following paragraph
18 (19)—

19 (i) by striking “454(20)(B)” and in-
20 serting “454(15)(B)”;

21 (ii) by striking “paragraphs (3), (4),
22 (6), (7), and (15)” and inserting “para-
23 graph (15)”;

24 (G) by striking paragraphs (1), (3), (4),
25 (6), (7), (8), (14), and (17) and redesignating

1 paragraphs (2), (5), (9), (10), (11), (12), (13),
2 (15) through (19), (20) (as added by section
3 2(a) of this Act), and (21) (as added by section
4 2(b)(1) of this Act) as paragraphs (1) through
5 (14), respectively;

6 (2) in subsection (c)—

7 (A) in paragraph (1)—

8 (i) in the matter preceding subpara-
9 graph (A), by striking “establishment,
10 modification, or enforcement” and insert-
11 ing “establishment or modification of sup-
12 port orders, or enforcement of the medical
13 support provisions of such orders”;

14 (ii) in subparagraph (A), by striking
15 “466(a)(5)” and inserting “466(a)(2)”;

16 (iii) in subparagraph (D)(ii), by strik-
17 ing “—” and all that follows through
18 “(II)”;

19 (iv) by striking subparagraphs (B),
20 (E), (F), and (G) and redesignating sub-
21 paragraphs (C), (D), and (H) as subpara-
22 graphs (B), (C), and (D), respectively; and
23 (B) in paragraph (2)—

24 (i) by striking “(a)(2)” and inserting
25 “(a)(1)”;

1 (ii) by striking “establish, modify, or
 2 enforce support orders” and inserting “es-
 3 tablish or modify support orders or enforce
 4 the medical support provisions of such or-
 5 ders”;

6 (3) in subsection (d)—

7 (A) by inserting “medical” before “sup-
 8 port”; and

9 (B) by striking “enforcement”;

10 (4) in subsection (e), by inserting “medical”
 11 after “to include”;

12 (5) in subsection (g), by striking “454(20)(A)”
 13 and inserting “454(15)(A)”; and

14 (6) by striking subsection (b) and redesignating
 15 subsections (c) through (g) as subsections (b)
 16 through (f), respectively.

17 (o) AMENDMENT TO SECTION 468.—Section 468 (42
 18 U.S.C. 668) is amended by striking “enforcement”.

19 (p) AMENDMENTS TO SECTION 469.—Section 469
 20 (42 U.S.C. 669) is amended—

21 (1) in the section heading, by striking “EN-
 22 FORCEMENT”;

23 (2) in subsection (a)(1), by striking “enforce-
 24 ment”; and

1 (3) in subsection (b)(4), by inserting “the medi-
2 cal support provisions of” before “an established”.

3 (q) AMENDMENTS TO SECTION 469A.—Section 469A
4 (42 U.S.C. 669a) is amended—

5 (1) in subsection (a), by striking “enforce-
6 ment”; and

7 (2) in subsection (b)—

8 (A) in the heading, by striking “ENFORCE-
9 MENT”; and

10 (B) by striking “establishing, modifying, or
11 enforcing a child support obligation” and in-
12 serting “establishing or modifying a child sup-
13 port obligation or enforcing the medical support
14 provisions of such an obligation”.

15 (r) AMENDMENTS TO THE BALANCED BUDGET AND
16 EMERGENCY DEFICIT CONTROL ACT OF 1985.—Section
17 256(f) of the Balanced Budget and Emergency Deficit
18 Control Act of 1985 (2 U.S.C. 906(f)) is amended—

19 (1) in the heading, by striking “ENFORCE-
20 MENT”; and

21 (2) by striking “sections 455 and 458” and in-
22 serting “section 455”.

23 (s) AMENDMENT TO TITLE 5, UNITED STATES
24 CODE.—Section 552a(a)(8)(B)(iv)(III) of title 5, United
25 States Code, as amended by section 110(w) of the Per-

1 sonal Responsibility and Work Opportunity Reconciliation
2 Act of 1996, is amended by striking “, 464,”.

3 (t) AMENDMENT TO TITLE 10, UNITED STATES
4 CODE.—Section 1408(d)(1) of title 10, United States
5 Code, is amended in the 1st sentence by striking “State
6 disbursement unit established pursuant to section 454B
7 of the Social Security Act or other”.

8 **SEC. 6. EFFECTIVE DATE.**

9 This Act and the amendments made by this Act shall
10 take effect on the 1st day of the 1st calendar month that
11 begins after the 2-year period that begins with the date
12 of the enactment of this Act.

○